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## UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, DC

Issued by the Department of Transportation on March 1, 2002

NOTICE OF ACTION TAKEN -- DOCKET OST-98-3744 -//

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of Continental Airlines, Inc. filed 1/28/02 to:

**XX** Renew for two years exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between any point or points in the United States and any point or points in France and its territories, directly and via intermediate points, and beyond France to any point or points in third countries. <sup>1</sup> Continental states that it currently uses this authority for direct services, as well as code-share services in the U.S.-France market.

Applicant rep: R. Bruce Keiner, Jr. (202) 624-2615 DOT Analyst: Linda Lundell (202) 366-2336

## DISPOSITION

XX Granted (subject to conditions, see below)

The above action was effective when taken: <u>March 1, 2002</u>, through <u>March 1, 2004</u>, or until 90 days after final Department action on Continental's corresponding certificate application, in Docket OST-98-4686, whichever occurs earlier.

Action taken by: Paul L. Gretch, Director

Office of International Aviation

 $\underline{XX}$  The authority granted is consistent with the aviation agreement between the United States and France.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

- XX Holder's certificates of public convenience and necessity
- XX Standard exemption conditions (attached)
- XX Statement of Authorization approving Continental/Air France code-share operations dated August 6, 1998, and conditions therein<sup>2</sup>

Conditions: The authority to operate via intermediate points and to third countries is limited to countries with which the United States has signed open-skies agreements and/or countries for which the carrier holds authority to serve under certificates or exemptions issued by the Department, and for which it holds route integration authority by virtue of either the present action or other action of the Department.

<sup>&</sup>lt;sup>1</sup> This applies to routes involving Metropolitan France as set forth in the January 22, 2002, U.S.-France open-skies amendments to the U.S.-France aviation agreement.

<sup>&</sup>lt;sup>2</sup> Continental states that its code-share arrangement with Air France will terminate on March 31, 2002.

**Remarks:** The original exemption authority granted in this docket imposed certain service level and traffic restrictions on U.S.-France services because of then-applicable limitations/restrictions under the U.S.-France aviation agreement. Pursuant to the January 22, 2002, U.S.-France open-skies aviation agreement, these restrictions are eliminated. Thus, those restrictions on Continental's authority here are no longer necessary.

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the exemption authority was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at: http://dms.dot.gov//reports/reports\_aviation.asp

## <u>U.S. CARRIER</u> <u>Standard Exemption Conditions</u>

In the conduct of operations authorized by the attached notice, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR Part 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations, including all FAA requirements concerning security; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.